



Governor Brian Schweitzer  
Keith Kelly, Commissioner

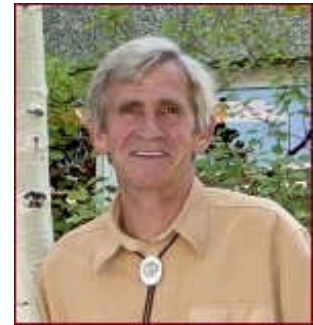
# Montana

## Department of Labor and Industry

### Commissioner's Office

Dear Colleagues and Fellow Montanans,

On behalf of the Department of Labor and Industry's Employment Relations Division, I am honored to present the **2005 Worker's Compensation Annual Report** -- an annual overview of worker's compensation related activities in Montana.



Workers' compensation systems are a complex balance of benefits, premiums and costs that vary from state to state. Recently we heard economic discussions, which concluded that Montana is uninviting for future industry development due to our workers' compensation rates being higher than those of other neighboring states. In order to address this notion, the Department has undertaken an in-depth study of the Montana workers' compensation system to define and establish accurate means of comparison across other state systems and report the results in an objective manner.

The study will:

- Identify specific and well-defined metrics, as well as sources for data, for the basis of the study;
- Solicit support for the study by engaging the input of stakeholders and interested parties, such as insurers, medical providers, injured workers and legislators;
- Provide Montana workers' compensation policy makers with baseline information on the current status of the Montana system, as compared empirically and accurately with other states; and
- Determine primary cost drivers in the Montana workers' compensation system.

The above-mentioned study is just one example of our continuing efforts to enhance and improve the workers' compensation environment in Montana. With the continued cooperation of the workers' compensation community, we can make a difference and assure a safe and brighter future for all Montanans.

Sincerely,

A handwritten signature of Keith Kelly in black ink.

Keith Kelly  
Commissioner